

## **AMENDMENTS TO THE CLAIMS:**

This listing of claims will replace all prior versions, and listings, of claims in the application.

### **Listing Of Claims:**

1. (Withdrawn) A method for hedging a deferred compensation liability associated with a deferred compensation plan, comprising: arranging a total return swap between a party sponsoring the deferred compensation plan and a counterparty; and using the total return swap to hedge the deferred compensation liability.

2. (Withdrawn) The method of claim 1, wherein a participant in the deferred compensation plan may select a notional investment allocation of deferred compensation attributable to the participant.

3. (Withdrawn) The method of claim 2, wherein the counterparty arranges the total return swap to substantially track the selected notional investment allocation.

4. (Withdrawn) The method of claim 1, wherein the party sponsoring the deferred compensation plan receives from the counterparty a total return generated by the total return swap and the counterparty receives from the party sponsoring the deferred compensation plan a total return swap fee.

5. (Withdrawn) The method of claim 4, wherein the total return swap fee comprises a LIBOR based cashflow.

6. (Withdrawn) A method for hedging a deferred compensation liability associated with a deferred compensation plan, which deferred compensation plan permits a participant in the deferred compensation plan to select a notional investment allocation of deferred compensation attributable to the participant, comprising: obligating a counterparty to pay to a party sponsoring the deferred compensation plan a hedge payment, wherein the hedge payment results from a total

return swap and equals at least the value of the deferred compensation if it were invested as notionally selected by the plan participant.

7. (Withdrawn) The method of claim 6, wherein the hedge payment is a total return generated by the total return swap and the counterparty receives from the party sponsoring the deferred compensation plan a total return swap fee.

8. (Withdrawn) The method of claim 7, wherein the total return swap fee comprises a LIBOR based cashflow.

9. (Withdrawn) A method for hedging a deferred compensation liability associated with a deferred compensation plan, comprising: arranging a first total return swap between a party sponsoring the deferred compensation plan and a counterparty; using the first total return swap to hedge the deferred compensation liability; and arranging a hedge between the counterparty and a second counterparty, wherein the hedge at least partially hedges the counterparty's liability under the first total return swap.

10. (Withdrawn) The method of claim 9, wherein a participant in the deferred compensation plan may select a notional investment allocation of deferred compensation attributable to the participant.

11. (Withdrawn) The method of claim 10, wherein the counterparty arranges the first total return swap to substantially track the selected notional investment allocation.

12. (Withdrawn) The method of claim 9, wherein the party sponsoring the deferred compensation plan receives from the counterparty a total return generated by the first total return swap and the counterparty receives from the party sponsoring the deferred compensation plan a total return swap fee.

13. (Withdrawn) The method of claim 12, wherein the total return swap fee comprises a LIBOR based cashflow.

14. (Withdrawn) The method of claim 9, wherein the counterparty's hedge is a second total return swap which is between the counterparty and the second counterparty.

15. (Withdrawn) The method of claim 14, wherein the counterparty receives from the second counterparty a total return generated by the second total return swap and the second counterparty receives from the counterparty a total return swap fee.

16. (Withdrawn) The method of claim 15, wherein the total return swap fee comprises a LIBOR based cashflow.

17. (Withdrawn) A method for hedging a deferred compensation liability associated with a deferred compensation plan, which deferred compensation plan permits a participant in the deferred compensation plan to select a notional investment allocation of deferred compensation attributable to the participant, comprising: obligating a counterparty to pay to a party sponsoring the deferred compensation plan a hedge payment, wherein the hedge payment results from a first total return swap and equals at least the value of the deferred compensation if it were invested as notionally selected by the plan participant; and arranging a hedge between the counterparty and a second counterparty, wherein the hedge at least partially hedges the counterparty's liability under the first total return swap.

18. (Withdrawn) The method of claim 17, wherein the counterparty arranges the first total return swap to substantially track the selected notional investment allocation.

19. (Withdrawn) The method of claim 18, wherein the hedge payment is a total return generated by the first total return swap and the counterparty receives from the party sponsoring the deferred compensation plan a total return swap fee.

20. (Withdrawn) The method of claim 19, wherein the total return swap fee comprises a LIBOR based cashflow.

21. (Withdrawn) The method of claim 17, wherein the hedge is a second total return swap which is between the counterparty and the second counterparty.

22. (Withdrawn) The method of claim 21, wherein the counterparty receives from the second counterparty a total return generated by the second total return swap and the second counterparty receives from the counterparty a total return swap fee.

23. (Withdrawn) The method of claim 22, wherein the total return swap fee comprises a LIBOR based cashflow.

Claims 24 - 26 (Canceled)

27. (New) A method for dynamically hedging a plan sponsor's non-qualified deferred compensation liabilities comprising:

receiving, by a computer, data comprising allocations to at least one reference fund selected from a group of reference funds related to a plan sponsor's non-qualified deferred compensation liabilities;

calculating and reporting, by a computer, based at least in part upon the received data, a notional principal amount for a total return swap arranged between a plan sponsor and a counterparty based on summing at least a portion of an accumulated deferred compensation plan's liabilities for each participant in the plan, wherein the plan sponsor's liabilities to each participant in the plan represents an unsecured general obligation of the plan sponsor arising from a deferral of receipt of at least a portion of participant's compensation and notional investment of an amount of the deferred compensation in at least one reference fund selected from a group of reference funds;

calculating and reporting, by a computer, based at least in part upon the received data, an adjusted notional principal amount by adding or subtracting to the notional principal amount an additional amount of deferred compensation, distributions, gains or losses;

receiving, by a computer, data of at least one periodic value-based amount between the plan sponsor and the counterparty under the arranged total return swap on at least one periodic value based amount allocated to the at least one reference fund selected from the group of reference funds which fluctuate with the market performance of at least one of the reference funds in which at least one participant in the deferred compensation plan is notionally invested.;

reporting, by a computer, allocations to the at least one reference fund selected from the group of reference funds of the counterparty; and

comparing, by a computer, the results of the periodic value-based amount from the counterparty to the notional investment of an amount of the plan sponsor's deferred compensation liabilities, so as to hedge at least a portion of the plan sponsor's deferred compensation plan liabilities.